	MDA OSBP BEST PRACTICES FOR MAXIMIZING SB PARTICIPATION		
	Pre-Award Strategies		
STEP	**Agency OSBP**	**Acquiring Activity**	**Benefit / Rationale**
1	**Establish relationships** with acquiring activity - Explain how your OSBP can help achieve the objectives of the acquisition - Explain importance and benefit of OSBP early involvement in acquisition planning o Provide support with conducting credible market research (industry day, RFI/SS, pre-proposal conference) o Assist with establishing most appropriate acquisition business strategy o Help coordinate DD Form 2579, subcontracting plan, and contract award documents with SBA PCR	*Conduct industry outreach forums (e.g., matchmakers) in conjunction with prospective (large) prime contractors to determine small business interest and capabilities as subcontractors.*	Acquiring activity considers OSBP as an additional resource and valued acquisition team member. This strategy provides for a team approach to outreach via the government and large contractors to prospective small business subcontractors.
		Encourage offerors to make subcontracting opportunities public in the OSBP Marketplace.	The *OSBP Marketplace* website is available at https://esbie.mda.mil/. The website provides a free forum where prime contractors post contact information for subcontracting or teaming opportunities. This strategy provides more visibility for opportunities to team or subcontract.
2	Provide **sections L and M** RFP solicitation language to evaluate small business participation and past performance *Section L Example:* All Offerors shall submit a Participation and Commitment Plan. The Government will use the Plan to assess commitment to small business participation for this sub- factor. *Section M Example:* The Government will evaluate the Offeror's	**The following strategies provide greater incentive to prospective large contractors to increase subcontracting with small businesses:**	
		Promote the subcontracting of "high-tech" requirements by offerors to small businesses by ensuring that, when appropriate, solicitations contain a	This strategy provides an incentive to prospective large prime contractors to consider small businesses in their make-versus-buy and subcontract planning processes.

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	Participation Plan constitutes a narrative description of: (1) The extent to which such firms are specifically identified in proposals; (2) The extent of commitment to use such firms (for example, enforceable commitments are more convincing than non-enforceable ones); (3) The complexity and variety of the work small firms are to perform; (4) The realism of the proposal; (5) The extent of participation of such firms in terms of the value of the total acquisition (proposed subcontracting dollars/percentages). The Participation Plan addresses SOW and CDRL requirements, and Small Business Participation Goals.	*Structure full and open solicitations and evaluation criteria that encourage teaming with small businesses and aggressive small business subcontracting.* *When there is a significant opportunity for subcontracting, in a full and open solicitation, include a factor to evaluate past performance, assessing the extent to which the offeror attained applicable goals for small business participation under contracts that required subcontracting plans and a factor to evaluate proposed small business participation .*	Opportunities exist for breakout and set-asides for small business. Establishing subcontracting goals in relation to the contract's total dollar value rather than in relation to the prime contractor's planned subcontract dollars may enhance small business subcontracting opportunities. Establishes an enforceable plan for small business participation and documents prime contractor's commitment to use small business in performance of the contract.
3	Participate as Small Business Advisor / Evaluator for Source Selection and Past Performance Team.	*Give greater evaluation credit to offerors that have details to support an effective participation plan and identified, by name, protégé firms, small business teaming partners, joint ventures, or other*	Demonstrates OSBP commitment to the acquisition team and provides a common set of principles and procedures for evaluating the extent of small business participation.

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			option to
	Incentive Fee Language Examples: *1). This Critical Performance Objectives has a Small Business Utilization prerequisite requirement to be eligible for any of the performance incentive. The contractor shall use a small business source(s) to manufacture at least two mission or safety critical items. The contractor shall provide objective evidence that the small business source(s) has successfully passed the quality and testing standards required to become an approved source in accordance with the MDA Parts, Materials, and Processes Mission Assurance Plan .* *2). To be eligible for the O&S performance incentives. Small Business participation, by at least the percentage of participation set forth in the Small Business Participation and Commitment Plan, shall contribute to the achievement of the required weapon system Scheduled and Operational Availability performance levels.*	*Consider incentives that might motivate prime contractors to provide substantial subcontracting opportunities to small businesses.* *Consider the exercise of an option to extend the term of the contract being contingent on the achievement of identified aggressive small business Subcontracting / Participation Plan goals.*	Supports developing a competitive environment by growing the capabilities of small businesses, better enabling them to participate in follow-on acquisitions and serve as additional sources to satisfy future requirements.
5	Provide language to establish small business utilization as a **SOW performance requirement** *SOW Paragraph Example:* The contractor shall implement a Small Business Participation and Commitment Plan to provide maximum practicable opportunities for small business participation in the performance of the contract and submit semiannually CDRL XXX to the Missile Defense Agency Office of Small Business Programs (MDA/SB).	*Negotiate an aggressive Subcontracting / Participation Plan with the prospective prime contractor.*	This requires knowledge of the contractor, the industry, and the activity's small business goals. The contracting officer should obtain information available from the cognizant contract administration office and evaluate the offeror's past performance in awarding small business subcontracts for the same or similar products or services. The contracting officer also must

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		When feasible (services acquisitions), include language in the solicitation that requires the prime contractor to direct a certain percentage of each labor category to small businesses.	
6	Provide language to **establish CDRL** (reporting results of compliance with the small business SOW requirement and Participation Plan). *CDRL Example:* Report actual achievements relative to proposed small business participation plan (including subcontracting dollars / percentages), and the results of efforts to: (1)Expand pool of qualified small businesses through increased competition for production of components, parts (includes hardware and software), and to perform sustainability services (2)Engage small businesses to serve as second sources in order to mitigate the risks of single point failures in the supply chain and increase the quality of supplies or services (3)Leverage Small Business Innovation Research and Small Business Technology Transfer program funded technologies with high potential for transition	*Ensure that the solicitation and contract address the method for monitoring small business performance.*	Aside from the standard subcontract plan reporting requirements, the prime contractor should be required to address performance toward its small business Participation Plan goals and objectives in any planned periodic program reviews.
		Ensure that an acceptable subcontracting or participation plan is incorporated into, and made a material part of, the contract.	In accordance with FAR 19.705-7, ensure that the solicitation and contract (if applicable) provide for liquidated damages when the contractor fails to make a good-faith effort to comply with its subcontracting / participation plan.
	Post-Award Strategies		
7	Review CDRL submissions. Review Program Level and Quarterly	*Regularly monitor the prime contractor's subcontracting performance as*	Monitor goal attainment and enforce the plan requirements. This strategy ensures there are no

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	Use results documented in reports to provide PCOs and CORs with commentary on large prime contractor's small business utilization performance for award fee and incentive fee, as well as CPARS.	*representatives from the prime contractor.*	representative, but also a senior member of its project management organization, in attendance at each meeting. This signals the importance of meeting subcontracting goals to the large business prime contractor. The contracting officer should request a subcontracting report if another organization (DCMA) has responsibility for monitoring subcontracting plan performance.
		In the early stages of the contract, consider meeting frequently (e.g., monthly) to ensure that the prime contractor gets off to a good start to-ward meeting subcontracting goals.	More dialogue—early on—will provide the prime contractor an opportunity to improve performance, if necessary, before final appraisals are given. Report progress (or lack thereof) to the contractor's senior management. This strategy helps ensure that the prime contractor starts off on the right footing.
		Requiring a substitution letter that spells out the prime contractor's rationale for any anticipated changes from small businesses that are identified by name in the offeror's	This strategy guards against "bait and switch," a practice that occurs when a large contractor names a small business in its proposal and then releases the business

This strategic approach to maximizing small business participation in MDA acquisitions by implementing a comprehensive Participation Plan has been successful in integrating the different aspects of our small business program (Outreach, Subcontracting, Mentor Protégé, SBIR/STTR). The approach enables these programs to add greater value to MDA acquisitions.

Documents to support implementing a Small Business Participation Plan are available at: https://acc.dau.mil/CommunityBrowser.aspx?id=723192&lang=en-US